

NOTICE OF PROPOSED ACTION

TITLE 11. DEPARTMENT OF JUSTICE

NOTICE IS HEREBY GIVEN that the Department of Justice (DOJ) proposes to amend as permanent regulations its existing regulations relating to the Attorney General's supervision of charitable organizations pursuant to Government Code section 12580 et seq. (The Supervision of Trustees and Fundraisers for Charitable Purposes Act.)

PUBLIC COMMENT PERIOD

DOJ will accept written comments presenting statements, arguments or contentions relevant to the proposed regulations for a period of 45 days from the date of publication of this Notice of Proposed Action. DOJ will not consider any comments which are not received by 5 p.m. on February 12, 2007. No later than 15 days prior to the close of this written comment period, any interested person or his or her duly authorized representative may make a written request for a public hearing pursuant to Government Code section 11346.8, and a public hearing will be held. Written comments or requests for a public hearing should be addressed to Deputy Attorney General Karen Denvir, Department of Justice, Office of the Attorney General, P.O. Box 944255, Sacramento, California, 94244-2550.

AUTHORITY AND REFERENCE

The proposed regulations amend section 300 of Title 11 of the California Code of Regulations, pursuant to the authority of Government Code section 12587, which specifically authorizes DOJ to adopt regulations necessary for administration of The Supervision of Trustees and Fundraisers for Charitable Purposes Act. The regulations help to clarify and implement

Government Code section 12585.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Government Code section 12580 et seq, which became effective in 1959, and was amended in 1998, provides DOJ with enforcement and supervisory powers over all charitable corporations and trustees holding property for charitable purposes, commercial fundraisers for charitable purposes, fundraising counsel for charitable purposes, and commercial coventurers.

The proposed amendments modify the existing regulations by requiring certain information and documents from a charitable organization when it initially applies for registration with the Registry of Charitable Trusts.

DISCLOSURES REGARDING THE REGULATIONS

Fiscal Impact on Public Agencies: None.

Mandate and cost to any local agency or school district which must be reimbursed in accordance with Government Code Section 17561: None.

Other non-discretionary cost or savings imposed upon local agencies: None.

Cost or savings to any state agency: None

Cost or savings in federal funding to the state: None.

Cost impact on private persons or directly affected businesses: The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Significant statewide adverse economic effect directly affecting business including the ability of California businesses to compete with businesses in other States: None

Effect on small businesses: The Department is not aware of any cost impacts that a small business would necessarily incur in reasonable compliance with the proposed action. The regulations will merely require submission of documents already in the possession of the registering entity.

Significant effect on housing costs: None.

In accordance with Government Code Section 11346.3, DOJ has assessed whether and to what extent adoption of the regulations will affect the following:

(a) The creation or elimination of jobs within the State of California: None.

(b) The creation of new businesses or the elimination or expansion of existing businesses within the State of California: None.

STATEMENT OF REASONS AND INFORMATION

DOJ has prepared an initial statement of the reasons for the proposed action and has available all of the information upon which the proposal is based.

TEXT OF REGULATIONS AND INITIAL STATEMENT OF REASONS

Copies of the exact language of the amendments and additions to the regulations, the initial statement of reasons and other information, if any, may be obtained upon request from the Department of Justice, Office of the Attorney General, 1300 I Street, Room 1130, Sacramento, CA 94244-2550, or by telephoning the contact person listed below.

CONTACT PERSON

General or substantive inquiries concerning the regulatory actions should be directed to Deputy Attorney General Karen Denvir at the above address or at (916) 323-6665. The backup contact person to whom general inquiries may be directed is Sandy Blazak, Associate

Governmental Program Analyst, who may be contacted at the above address or at (916) 327-7882. The backup contact person to whom substantive inquiries may be directed is Supervising Deputy Attorney General Kelvin Gong who may be contacted at 455 Golden Gate Avenue, Suite 11000, San Francisco, California, 94102-7004 or at (415) 703-5510.

PRESENTATION OF ORAL AND/OR WRITTEN COMMENTS

Interested persons are invited to submit written comments on the adoption of the regulations. A public comment period is provided from December 29, 2006 through February 12, 2007. Filing of written statements will be accepted at the Department of Justice, Office of the Attorney General (Attention: Karen Denvir, Deputy Attorney General), 1300 I Street, Room 1130, Sacramento, CA 94244-2550, until the close of business 5:00 p.m. on February 12, 2007. DOJ will not consider written comments received after February 12, 2007.

PROPOSED REVISIONS, FINAL ADOPTION OF REGULATIONS

Following the close of the written comment period, DOJ may adopt, as final, the regulations as described in this Notice and Informative Digest. Copies of the regulations, as finally adopted, will be sent to all persons who have requested copies by filing a written request with the contact person identified above.. If, as a result of written public comment, significant or substantial changes to the proposed regulations are deemed appropriate, copies of the proposed changes will be sent to all persons who previously requested copies, all persons who submitted written comments during the comment period, all persons who submitted written or oral comments during the hearing, and those who have requested copies of information regarding the regulations.

Thereafter, DOJ will accept written comments, arguments, evidence and the like for a

period of 15 days after the date upon which changes were made available. If adopted, the regulations will appear in the California Code of Regulations, Title 11, Division 1, Chapter 15, section 300.

DOJ must determine that no reasonable alternative considered by it or that has otherwise been identified or brought to the attention of DOJ would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

AVAILABILITY OF MATERIALS ON THE INTERNET

The Notice of Proposed Action, the Initial Statement of Reasons, the Final Statement of Reasons, the text of the proposed regulations, the date a rulemaking action is filed with the Secretary of State, and the effective date of the rulemaking action will all be posted on, and may be downloaded from, the website of the Charitable Trusts Section of the Office of the Attorney General in DOJ (<http://ag.ca.gov/charities>).